

SAN MATEO

**LOCAL AGENCY FORMATION COMMISSION**

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**July 13, 2018**

**To:** LAFCo Commissioners  
**From:** Martha Poyatos, Executive Officer  
**Subject:** Legislative Report

Attached please find the CALAFCo Daily Legislative Report. The Legislative Committee has not met. Staff will be prepared to respond to questions concerning the various bill being tracked by CALAFCo.

Also attached is a letter requesting the Governor's signature on AB 3254 which is the CALAFCo omnibus bill making technical changes to the Cortese Knox Hertzberg Local Government Act. The letter was authorized by the Commission's Legislative and Policy Committee.

**COMMISSIONERS:** MIKE O'NEILL, CHAIR, City ▪ ANN DRAPER, VICE CHAIR, Public ▪ JOSHUA COSGROVE, Special District ▪ RICH GARBARINO, City  
DON HORSLEY, County ▪ JOE SHERIDAN, Special District ▪ WARREN SLOCUM, County

**ALTERNATES:** KATI MARTIN, Special District ▪ HARVEY RARBACK, City ▪ SEPI RICHARDSON, Public ▪ DAVE PINE, County

**STAFF:** MARTHA POYATOS, EXECUTIVE OFFICER ▪ REBECCA ARCHER, LEGAL COUNSEL ▪ JEAN BROOK, COMMISSION CLERK

## CALAFCO Daily Legislative Report as of Friday, July 13, 2018

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### **AB 2050 (Caballero D) Small System Water Authority Act of 2018.**

**Current Text:** Amended: 6/11/2018 [html](#) [pdf](#)

**Introduced:** 2/6/2018

**Last Amended:** 6/11/2018

**Status:** 6/28/2018-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (June 27). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

8/6/2018 10 a.m. - John L. Burton Hearing Room (4203)  
SENATE APPROPRIATIONS, PORTANTINO, Chair

**Summary:**

This bill would create the Small System Water Authority Act of 2018 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill, no later than March 1, 2019, would require the state board to provide written notice to cure to all public agencies, private water companies, or mutual water companies that operate a public water system that has either less than 3,000 service connections or that serves less than 10,000 people, and are not in compliance with one or more state or federal primary drinking water standard maximum contaminant levels as of December 31, 2018, and for 4 consecutive quarters, as specified.

**Position:** Support

**Subject:** LAFCo Administration, Municipal Services, Water

**CALAFCO Comments:** This bill is sponsored by Eastern Municipal Water District and the CA Municipal Utilities Assoc. The intent is to give the State Water Resources Control Board (SWRCB) authority to mandate the dissolution of existing drinking water systems (public, mutual and private) and authorize the formation of a new public water authority. The focus is on non contiguous systems. The SWRCB already has the authority to mandate consolidation of these systems, this will add the authority to mandate dissolution and formation of a new public agency.

LAFCo will be responsible for dissolving any state mandated public agency dissolution, and the formation of the new water authority. The SWRCB's appointed Administrator will act as the applicant on behalf of the state. LAFCo will have ability to approve with modifications the application, and the new agency will have to report to the LAFCo annually for the first 3 years.

CALAFCO continues to work with the author and sponsor on additional amendments including giving the authority to levy fines to the SWRCB (rather than the LAFCo); and ensuring codification of the appropriate protest process.

### **AB 2238 (Aguiar-Curry D) Local agency formation: regional housing need allocation: fire hazards: local health emergencies: hazardous and medical waste.**

**Current Text:** Amended: 6/12/2018 [html](#) [pdf](#)

**Introduced:** 2/13/2018

**Last Amended:** 6/12/2018

**Status:** 6/20/2018-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 7. Noes 0.) (June 20). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

8/6/2018 10 a.m. - John L. Burton Hearing Room (4203)  
SENATE APPROPRIATIONS, PORTANTINO, Chair

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the authority and procedures for the initiation, conduct, and completion of changes of organization and

reorganization of cities and districts. The act specifies the factors that a local agency formation commission is required to consider in the review of a proposal for a change of organization or reorganization, including, among other things, per capita assessed valuation and the proposal's consistency with city or county general and specific plans. This bill would require the commission to consider the assessed valuation rather than per capita assessed valuation.

**Attachments:**

[CALAFCO Support Letter May 2018](#)

**Position:** Support

**Subject:** Climate Change, Growth Management

**CALAFCO Comments:** This bill seeks to add another factor for LAFCo consideration in the review of a proposal. That factor is information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.

The bill also adds two non-LAFCo-related sections pertaining to the update of a housing element.

This bill is in response to the rash of wildfires throughout the state over the past several years and the ongoing threat of same as a result of climate change.

**[AB 2258](#) ([Caballero D](#)) **Local agency formation commissions: grant program.****

**Current Text:** Amended: 7/2/2018 [html](#) [pdf](#)

**Introduced:** 2/13/2018

**Last Amended:** 7/2/2018

**Status:** 7/2/2018-Read second time and amended. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

8/6/2018 10 a.m. - John L. Burton Hearing Room (4203)

SENATE APPROPRIATIONS, PORTANTINO, Chair

**Summary:**

Current law establishes the Strategic Growth Council in state government and assigns to the council certain duties, including providing, funding, and distributing data and information to local governments and regional agencies that will assist in the development and planning of sustainable communities. This bill would require the Strategic Growth Council, until January 1, 2024, to establish and administer a local agency formation commissions grant program for the payment of costs associated with initiating and completing the dissolution of districts listed as inactive, the payment of costs associated with a study of the services provided within a county by a public agency, and for other specified purposes, including the initiation of an action, based on determinations found in the study, as approved by the commission.

**Attachments:**

[CALAFCO Support March 2018](#)

[CALAFCO Support March 2018](#)

**Position:** Sponsor

**Subject:** Other

**CALAFCO Comments:** This is a CALAFCO sponsored bill following up on the recommendation of the Little Hoover Commission report of 2017 for the Legislature to provide LAFCos one-time grant funding for in-depth studies of potential reorganization of local service providers. CALAFCO is working with the Strategic Growth Council (SGC) who has agreed to administer the grant program. Grant funds will be used specifically for conducting special studies to identify and support opportunities to create greater efficiencies in the provision of municipal services; to potentially initiate actions based on those studies that remove or reduce local costs thus incentivizing local agencies to work with the LAFCo in developing and implementing reorganization plans; and the dissolution of inactive districts (pursuant to SB 448, Wieckowski, 2017). The grant program would sunset on December 31, 2023.

The bill also changes the protest threshold for LAFCo initiated actions, solely for the purposes of actions funded pursuant to this new section. It allows LAFCo to order the dissolution of a district (outside of the ones identified by the SCO) pursuant to a majority protest (mirroring existing language in Government Code Section 57077.1.c). For all other changes of organization or reorganization pursuant to this section, the threshold would be 25% rather than 10%, in

accordance with Government Code Section 57075.

Amendments taken in Senate Governance & Finance and Natural Resources & Water will narrow the scope of the bill to focus on service providers serving disadvantaged communities; will require LAFCo pay back grant funds in their entirety if the study is not completed within two years; and require the SGC to give preference to LAFCOs whose decisions have been aligned with the goals of sustainable communities strategies.

Other amendments pending are clarifying the language in section (4) regarding inactive districts and changing the protest thresholds to mirror elections code 11221 so that they are a sliding scale.

**AB 2600 (Flora R) Regional park and open space districts.**

**Current Text:** Amended: 6/26/2018 [html](#) [pdf](#)

**Introduced:** 2/15/2018

**Last Amended:** 6/26/2018

**Status:** 7/5/2018-Read third time. Passed. Ordered to the Assembly. In Assembly. Concurrence in Senate amendments pending. May be considered on or after August 3 pursuant to Assembly Rule 77.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law authorizes proceedings for the formation of a regional park, park and open-space, or open-space district to be initiated pursuant to a petition signed by at least 5,000 electors residing within the proposed district territory and presented to the county board of supervisors, as specified. Existing law also authorizes proceedings for district formation in specified counties to be initiated by resolution of the county board of supervisors adopted after a noticed hearing, and specifies the contents of the resolution. This bill would, in lieu of the petition described above, authorize the formation of a district by the adoption of a resolution of application by the legislative body of any county or city that contains the territory proposed to be included in the district.

**Attachments:**

[CALAFCO Support March 2018](#)

**Position:** Support

**CALAFCO Comments:** This bill would expand the process of initiating the formation of a regional pack and open space district by adding that a local governing body may adopt a resolution proposing to form a new district. This would be in lieu of having a 5,000 signature petition. The LAFCo process remains intact.

The intent of this bill is to create an easier way to proposed the formation of these types of districts, thereby removing the need for special legislation to do so. The bill is author-sponsored.

**AB 3254 (Committee on Local Government) Local government organization: omnibus.**

**Current Text:** Chaptered: 7/9/2018 [html](#) [pdf](#)

**Introduced:** 3/14/2018

**Last Amended:** 5/17/2018

**Status:** 7/9/2018-Approved by the Governor. Chaptered by Secretary of State - Chapter 86, Statutes of 2018.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act) provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified. Current law defines various terms for purposes of that Act, including the terms "affected territory" and "inhabited territory." This bill would revise those definitions to include territory that is to receive extended services from a local agency, and additionally define the term "uninhabited territory" for purposes of the Act.

**Attachments:**

[Request Governor Signature June 2018](#)

[CALAFCO Support](#)

**Position:** Sponsor

**CALAFCO Comments:** This is the annual Assembly Local Government Committee Omnibus bill, sponsored by CALAFCO. Amendments are pending to add several items.

**SB 1215 (Hertzberg D) Provision of sewer service: disadvantaged communities.****Current Text:** Amended: 7/2/2018 [html](#) [pdf](#)**Introduced:** 2/15/2018**Last Amended:** 7/2/2018**Status:** 7/2/2018-Read second time and amended. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Porter-Cologne Water Quality Control Act requires each California regional water quality control board to adopt water quality control plans and to establish water quality objectives in those plans, considering certain factors, to ensure the reasonable protection of beneficial uses and the prevention of nuisance. This bill would authorize the regional board to order the provision of sewer service by a special district, city, or county to a disadvantaged community, as defined, under specified circumstances. By authorizing the regional board to require a special district, city, or county to provide sewer service, this bill would impose a state-mandated local program.

**Position:** Watch With Concerns**Subject:** Disadvantaged Communities, Water

**CALAFCO Comments:** As amended, this bill authorizes the State Water Resources Control Board (SWRCB) to mandate extension of service or consolidation of wastewater systems - both public and private, under certain circumstances. The process mirrors the process set forth in SB 88 giving the SWRCB authority to mandate the same for drinking water systems.

The current version includes a number of amendments that address previous CALAFCO concerns. However, there is an outstanding issue of annexing territory to which services were extended into a city. (The bill does now call for a mandatory annexation into a district should the services be extended by them.)

**SB 1496 (Committee on Governance and Finance) Validations.****Current Text:** Chaptered: 6/1/2018 [html](#) [pdf](#)**Introduced:** 3/1/2018**Status:** 6/1/2018-Approved by the Governor. Chaptered by Secretary of State. Chapter 23, Statutes of 2018.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

This bill would enact the Second Validating Act of 2018, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

**Attachments:**[CALAFCO Support March 2018](#)**Position:** Support**SB 1497 (Committee on Governance and Finance) Validations.****Current Text:** Chaptered: 6/1/2018 [html](#) [pdf](#)**Introduced:** 3/1/2018**Status:** 6/1/2018-Approved by the Governor. Chaptered by Secretary of State. Chapter 24, Statutes of 2018.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

This bill would enact the First Validating Act of 2018, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

**Attachments:**[CALAFCO Support March 2018](#)**Position:** Support**Subject:** LAFCo Administration**SB 1499 (Committee on Governance and Finance) Validations.**

**Current Text:** Chaptered: 6/1/2018 [html](#) [pdf](#)

**Introduced:** 3/1/2018

**Status:** 6/1/2018-Approved by the Governor. Chaptered by Secretary of State. Chapter 25, Statutes of 2018.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

This bill would enact the Third Validating Act of 2018, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

**Attachments:**

[CALAFCO Support March 2018](#)

**Position:** Support

**Subject:** LAFCo Administration

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**[AB 2268](#) ([Reyes D](#)) **Local government finance: property tax revenue allocations: vehicle license fee adjustments.****

**Current Text:** Amended: 4/16/2018 [html](#) [pdf](#)

**Introduced:** 2/13/2018

**Last Amended:** 4/16/2018

**Status:** 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/2/2018)

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

for the 2018–19 fiscal year, would require the vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount in the 2017–18 fiscal year, the product of that sum and the percentage change in gross taxable assessed valuation within the jurisdiction of that entity between the 2017–18 fiscal year to the 2018–19 fiscal year, and the product of the amount of specified motor vehicle license fee revenues that the Controller allocated to the applicable city in July 2010 and 1.17.

**Attachments:**

[CALAFCO Support Letter May 2018](#)

**Position:** Support

**Subject:** Tax Allocation

**CALAFCO Comments:** Sponsored by the League, this bill will reinstate ERAF funding for inhabited annexations.

**[AB 2491](#) ([Cooley D](#)) **Local government finance: vehicle license fee adjustment amounts.****

**Current Text:** Amended: 4/2/2018 [html](#) [pdf](#)

**Introduced:** 2/14/2018

**Last Amended:** 4/2/2018

**Status:** 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 4/25/2018)

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would establish a separate vehicle license fee adjustment amount for a city incorporating after January 1, 2012, including an additional separate vehicle license fee adjustment amount for the first fiscal year of incorporation and for the next 4 fiscal years thereafter. This bill contains other related provisions and other existing laws.

**Attachments:**

[CALAFCO Support March 2018](#)

**Position:** Support

**Subject:** Tax Allocation

**CALAFCO Comments:** Sponsored by the League, this bill will reinstate ERAF funding for cities incorporating after 2017.

**AB 2501 (Chu D) Drinking water: consolidation and extension of service.****Current Text:** Amended: 6/27/2018 [html](#) [pdf](#)**Introduced:** 2/14/2018**Last Amended:** 6/27/2018**Status:** 6/27/2018-Read second time and amended. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

8/6/2018 10 a.m. - John L. Burton Hearing Room (4203)

SENATE APPROPRIATIONS, PORTANTINO, Chair

**Summary:**

The California Safe Drinking Water Act authorizes the State Water Resources Control Board to order extension of service to an area within a disadvantaged community that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation of consolidation. The act defines "disadvantaged community" for these purposes to mean a disadvantaged community that is in an unincorporated area, is in a mobilehome park, or is served by a mutual water company or small public water system. This bill would redefine "disadvantaged community" for these purposes to also include a disadvantaged community that is served by a state small water system or domestic well.

**Position:** Watch With Concerns**Subject:** Disadvantaged Communities, Water

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**AB 1577 (Gipson D) California Safe Drinking Water Act: Sativa-Los Angeles County Water District.****Current Text:** Amended: 6/27/2018 [html](#) [pdf](#)**Introduced:** 2/17/2017**Last Amended:** 6/27/2018**Status:** 6/27/2018-Read second time and amended. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

8/6/2018 10 a.m. - John L. Burton Hearing Room (4203)

SENATE APPROPRIATIONS, PORTANTINO, Chair

**Summary:**

The California Safe Drinking Water Act provides for the operation of public water systems and imposes on the State Water Resources Control Board various responsibilities and duties. The act authorizes the state board to order consolidation with a receiving water system where a public water system or a state small water system, serving a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. This bill would authorize the state board to order a designated public water system to accept managerial and administrative services without first making a finding that consolidation or extension of service is not appropriate or not technically and economically feasible if the state board finds that an emergency circumstance exists to warrant immediate action to protect the public health.

**Attachments:**[CALAFCO Support Letter June 2018](#)**Position:** Support**Subject:** Disincorporation/dissolution, Water**AB 1889 (Caballero D) Santa Clara Valley Water District.****Current Text:** Amended: 7/3/2018 [html](#) [pdf](#)**Introduced:** 1/18/2018**Last Amended:** 7/3/2018**Status:** 7/3/2018-Read second time and amended. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Santa Clara Valley Water District Act authorizes the district to impose special taxes at minimum rates according to land use category and size. The district act authorizes the district to

provide an exemption from these taxes for residential parcels owned and occupied by one or more taxpayers who are at least 65 years of age, or who qualify as totally disabled, if the household income is less than an amount approved by the voters of the district. This bill would authorize the district to require a taxpayer seeking an exemption from these special taxes to verify his or her age, disability status, or household income, as prescribed.

**Position:** Watch

**AB 2019 (Aguiar-Curry D) Health care districts.**

**Current Text:** Amended: 6/25/2018 [html](#) [pdf](#)

**Introduced:** 2/5/2018

**Last Amended:** 6/25/2018

**Status:** 6/25/2018-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

8/6/2018 10 a.m. - John L. Burton Hearing Room (4203)

SENATE APPROPRIATIONS, PORTANTINO, Chair

**Summary:**

The Local Health Care District Law provides for local health care districts that govern certain health care facilities. Each health care district has a board of directors with specific duties and powers respecting the creation, administration, and maintenance of the district. Current law requires the board of directors to establish and maintain an Internet Web site that may include specified information, such as a list of current board members and recipients of grant funding or assistance provided by the district, if any, and to adopt annual policies for providing assistance or grant funding, as specified. This bill would require the board of directors to include specified information, such as the district's policy for providing assistance or grant funding, on the district's Internet Web site.

**Position:** Watch

**CALAFCO Comments:** This bill places a number of statutory requirements on healthcare districts (HCDs). One provision that directly affects LAFCo is the HCDs will be required to notify their respective LAFCo when they file for bankruptcy.

**AB 2179 (Gipson D) Municipal corporations: public utility service: water and sewer service.**

**Current Text:** Introduced: 2/12/2018 [html](#) [pdf](#)

**Introduced:** 2/12/2018

**Status:** 7/2/2018-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would authorize a municipal corporation to utilize the alternative procedures to lease, sell, or transfer that portion of a municipal utility used for furnishing sewer service outside the boundaries of the municipal corporation.

**Position:** Watch

**Subject:** Municipal Services

**AB 2262 (Wood D) Coast Life Support District Act: urgent medical care services.**

**Current Text:** Amended: 4/16/2018 [html](#) [pdf](#)

**Introduced:** 2/13/2018

**Last Amended:** 4/16/2018

**Status:** 7/2/2018-Read second time. Ordered to Consent Calendar. From Consent Calendar. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law, the Coast Life Support District Act, establishes the Coast Life Support District and specifies the powers of the district. The district is authorized, among other things, to supply the inhabitants of the district emergency medical services, as specified. This bill would additionally authorize the district to provide urgent medical care services.



**Attachments:**[CALAFCO Oppose Unless Amended](#)[CALAFCO Support as amended](#)**Position:** Support**Subject:** LAFCo Administration, Special District Powers

**CALAFCO Comments:** This is a single district bill in which the district is seeking to add the power of providing urgent care (actually to codify powers they have been performing for a number of years). As amended, the bill cleans up the outdated reference to the Act and adds a provision requiring the district to seek LAFCo approval to activate the new power. As a result of these amendments, CALAFCO has removed our opposition and now supports the bill.

**[AB 2339](#) (Gipson D) Water utility service: sale of water utility property by a city.****Current Text:** Amended: 7/5/2018 [html](#) [pdf](#)**Introduced:** 2/13/2018**Last Amended:** 7/5/2018**Status:** 7/5/2018-Read second time and amended. Ordered to third reading. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

8/6/2018 10 a.m. - John L. Burton Hearing Room (4203)

SENATE APPROPRIATIONS, PORTANTINO, Chair

**Summary:**

This bill would authorize the City of El Monte, the City of Montebello, and the City of Willows, until January 1, 2022, to sell its public utility for furnishing water service for the purpose of consolidating its public water system with another public water system pursuant to the specified procedures, only if the potentially subsumed water system is wholly within the boundaries of the city, if the city determines that it is uneconomical and not in the public interest to own and operate the public utility, and if certain requirements are met. The bill would prohibit the city from selling the public utility for one year if 50% of interested persons, as defined, protest the sale. This bill contains other related provisions.

**Position:** Watch**Subject:** Water**[SB 522](#) (Glazer D) West Contra Costa Healthcare District.****Current Text:** Enrolled: 7/9/2018 [html](#) [pdf](#)**Introduced:** 2/16/2017**Last Amended:** 1/3/2018**Status:** 7/5/2018-Read third time. Passed. Ordered to the Senate. In Senate. Ordered to engrossing and enrolling.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law provides for the formation of local health care districts and specifies district powers. Under existing law, the elective officers of a local health care district consist of a board of hospital directors consisting of 5 members, each of whom is required to be a registered voter residing in the district and whose term shall be 4 years, except as specified. This bill would dissolve the existing elected board of directors of the West Contra Costa Healthcare District, effective January 1, 2019, and would require the Board of Supervisors of the County of Contra Costa, at its election, to either serve as the district board or appoint a district board, as specified.

**Position:** Watch**Subject:** Special Districts Governance**[SB 561](#) (Gaines R) Fallen Leaf Lake Community Services District: State audit.****Current Text:** Amended: 6/26/2018 [html](#) [pdf](#)**Introduced:** 2/17/2017**Last Amended:** 6/26/2018**Status:** 6/28/2018-Re-referred to Com. on APPR. pursuant to Assembly Rule 96.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law requires the county auditor to either perform an audit, or contract with a certified public accountant or public accountant to perform an audit, of the accounts and records of every special district within the county, as specified. Current law authorizes a special district, by unanimous request of its governing board and unanimous approval by the board of supervisors, to replace the annual audit with an audit over a longer period of time or with a financial review, as specified. This bill would require, by August 1, 2019, the California State Auditor to complete an audit of the Fallen Leaf Lake Community Services District that includes, among other things, an analysis of the district's financial condition and ongoing financial viability.

**Position:** Watch

**Subject:** Special Districts Governance

**[SB 623](#) (Monning D) Water quality: Safe and Affordable Drinking Water Fund.**

**Current Text:** Amended: 8/21/2017 [html](#) [pdf](#)

**Introduced:** 2/17/2017

**Last Amended:** 8/21/2017

**Status:** 9/1/2017-From committee: Without recommendation. (Ayes 11. Noes 0.) (September 1) Re-referred to Com. on RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the State Water Resources Control Board. The bill would require the board to administer the fund to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the state board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, bequests, and settlements from parties responsible for contamination of drinking water supplies.

**Position:** Watch

**Subject:** Water

**[SB 778](#) (Hertzberg D) Water systems: consolidations: administrative and managerial services.**

**Current Text:** Amended: 7/13/2017 [html](#) [pdf](#)

**Introduced:** 2/17/2017

**Last Amended:** 7/13/2017

**Status:** 9/1/2017-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. on 8/23/2017)(May be acted upon Jan 2018)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would require, on or before March 1, 2018, and regularly thereafter, as specified, the State Water Resources Control Board to track and publish on its Internet Web site an analysis of all voluntary and ordered consolidations of water systems that have occurred on or after July 1, 2014. The bill would require the published information to include the resulting outcomes of the consolidations and whether the consolidations have succeeded or failed in providing an adequate supply of safe drinking water to the communities served by the consolidated water systems.

**Position:** Watch

**Subject:** Municipal Services

**[SB 929](#) (McGuire D) Special districts: Internet Web sites.**

**Current Text:** Amended: 3/6/2018 [html](#) [pdf](#)

**Introduced:** 1/25/2018

**Last Amended:** 3/6/2018

**Status:** 7/2/2018-From consent calendar on motion of Assembly Member Calderon.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The California Public Records Act requires a local agency to make public records available for inspection and allows a local agency to comply by posting the record on its Internet Web site and directing a member of the public to the Web site, as specified. This bill would, beginning on

January 1, 2020, require every independent special district to maintain an Internet Web site that clearly lists contact information for the special district, except as provided. Because this bill would require local agencies to provide a new service, the bill would impose a state-mandated local program.

**Attachments:**

[CALAFCO Support letter May 2018](#)

**Position:** Support

**SB 1498 (Committee on Governance and Finance) Local Government Omnibus Act of 2018.**

**Current Text:** Amended: 6/19/2018 [html](#) [pdf](#)

**Introduced:** 3/1/2018

**Last Amended:** 6/19/2018

**Status:** 6/28/2018-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To consent calendar. (Ayes 9. Noes 0.) (June 27). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law sets forth various provisions governing cities that reference various officers and employees. This bill would make these references gender neutral.

**Position:** Watch

**CALAFCO Comments:** This is the annual Senate Governance & Finance Committee Omnibus bill.

Total Measures: 24

Total Tracking Forms: 24

7/13/2018 11:25:52 AM

**LOCAL AGENCY FORMATION COMMISSION**

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

June 27, 2018

The Honorable Governor Edmund G. Brown, Jr.  
State of California  
State Capitol Building  
Sacramento, CA 95814

**RE: Request to Sign AB 3254-Assembly Local Government Committee Omnibus Bill**

Dear Governor Brown:

The San Mateo Local Agency Formation Commission (LAFCo) respectfully requests that you **sign Assembly Bill 3254** (Assembly Local Government Committee) which is now before you for action. **AB 3254** makes changes and clarifications to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

This annual bill includes technical changes to the Act which governs the work of local agency formation commissions. These changes are necessary as commissions implement the Act and small inconsistencies are found or clarifications are needed to make the law as unambiguous as possible. **AB 3254** makes several minor technical changes, corrects obsolete and incorrect code references, and makes minor updates to outdated sections. Without making any policy changes, the revised language greatly clarifies the laws and eliminates outdated and confusing language thereby creating a significant increase in the clarity of the Act for all stakeholders.

Because this legislation helps insure that the Cortese-Knox-Hertzberg Act remains a vital and practical law that is consistently applied around the state, and clearer to all who use the Act, we respectfully urge you to sign **AB 3254**.

Sincerely,

A handwritten signature in black ink that reads 'Martha Poyatos'.

Martha Poyatos  
Executive Officer

cc: Honorable Cecilia Aguiar-Curry, Chair, Assembly Local Government Committee  
Jimmy MacDonald, Consultant, Assembly Local Government Committee  
Tom Dyer, Chief Deputy Legislative Secretary to the Governor  
Members, San Mateo LAFCo  
Pamela Miller, Executive Director, CALAFCO